

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

February 23, 1999

IN RE:)	
)	
PETITION OF BELL SOUTH)	
TELECOMMUNICATIONS, INC. FOR)	DOCKET NO. 97-01399
APPROVAL OF AN INTRALATA TOLL)	
DIALING PARITY IMPLEMENTATION PLAN)	

**ORDER APPROVING REPORT AND RECOMMENDATION OF
PRE-HEARING OFFICER ON STATUS CONFERENCE
HELD ON DECEMBER 8, 1998**

This matter came before the Tennessee Regulatory Authority (the "Authority") at a regularly scheduled Authority Conference held on January 19, 1999, for the consideration of the Pre-Hearing Officer's Report and Recommendation filed on January 14, 1999. A Status Conference was held in this docket immediately following the Authority's decision on Issue A that was rendered at a Special Authority Conference held on December 8, 1998. This Status Conference was held for the purposes of setting a procedural schedule and discussing the manner in which the remaining issues would be resolved. General Counsel Richard Collier presided as the Pre-Hearing Officer.

During the Status Conference, the Pre-Hearing Officer facilitated a discussion among the parties as to whether some or all of the issues could be resolved through stipulation, the submission of briefs and/or the submission of purely written testimony without the necessity of an evidentiary hearing. At the conclusion of that discussion, BellSouth announced that it

could not remove any issues from the list, but agreed to resolve issues C, K, and L through briefs. As to the remaining issues, B, D, E, F, G, H, I and J, BellSouth requested that testimony be prepared and stated that, after reviewing the testimony, it would advise the Authority as to whether any additional issues could be resolved without the need for a hearing, based on the pre-filed testimony. The parties agreed to a briefing schedule as to Issues C, K, and L, consisting of briefs and reply briefs, that would run parallel to the filing of the direct and rebuttal pre-filed testimony.

The Pre-Hearing Officer reported that on January 8, 1999, BellSouth filed a letter with the Authority stating that it had reviewed the pre-filed testimony of the parties and that four (4) issues (B, D, F and J) would necessitate a hearing. As to the remaining issues, BellSouth proposed that a workshop be convened for the purpose of developing a joint stipulation of the parties to resolve those issues.

During the Status Conference, the parties estimated that one (1) to two (2) days would be needed for a hearing if all of the remaining issues went to hearing. In the Report and Recommendation the Pre-Hearing Officer recommended that the Authority proceed to set this matter for hearing date and recommended that the parties continue in their efforts to resolve the remaining issues by means of a joint stipulation.

At the January 19, 1999, Authority Conference, the Directors voted unanimously to accept and approve the Report and Recommendation of the Pre-Hearing Officer. Further, the Directors selected February 10 and 11, 1999, as the dates for a hearing in this matter.

IT IS THEREFORE ORDERED THAT:


1. The Report and Recommendation of the Pre-Hearing Officer, attached to this Order as Exhibit A, is approved and incorporated into this Order as if fully rewritten herein.
2. The Hearing dates for this matter shall be February 10 and 11, 1999.



Melvin J. Malone, Chairman



H. Lynn Greer, Jr, Director



Sara Kyle, Director

ATTEST:



EXECUTIVE SECRETARY

REC'D TN
REGULATORY AUTH.

BEFORE THE TENNESSEE REGULATORY AUTHORITY

OFFICE OF THE
NASHVILLE, TENNESSEE
EXECUTIVE SECRETARY

January 14, 1999

IN RE:

PETITION OF BELL SOUTH

TELECOMMUNICATIONS, INC. FOR

APPROVAL OF AN INTRALATA TOLL

DIALING PARITY IMPLEMENTATION PLAN

DOCKET NO. 97-01399

**REPORT AND RECOMMENDATION OF PRE-HEARING OFFICER ON
STATUS CONFERENCE HELD ON DECEMBER 8, 1998**

A Status Conference was held in this docket immediately following the Directors' decision on Issue A rendered at a Special Authority Conference held on December 8, 1998. This Status Conference was held for the purpose of setting a procedural schedule, including a discussion of the manner in which the remaining issues should be addressed and whether a hearing would be necessary to resolve those issues.

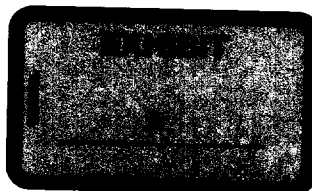
Parties in Attendance

The following appearances were entered at the Status Conference:

BellSouth Telecommunications, Inc. ("BellSouth") - **Guy Hicks**, Esquire, and **Jim Gotto**, 333 Commerce Street, Suite 2101, Nashville, TN 37201;

AT&T Communications of the South Central States, Inc. ("AT&T") - **James P. Lamoureux**, Esquire, 1200 Peachtree St., NE, Atlanta, GA 30309;

MCI/WorldCom - **Jon E. Hastings**, Esquire, Boulton, Cummings, Connors & Berry, 414 Union St., #1600, P. O. Box 198062, Nashville, TN 37219-8062;



Sprint Communications - **Carolyn Tatum Roddy**, Esquire, 3100 Cumberland Circle, N0802, Atlanta, GA 30339;

NEXTLINK TN, L.L.C. - **Henry Walker**, Esquire, Boulton, Cummings, Connors & Berry, 414 Union St., #1600, P. O. Box 198062, Nashville, TN 37219-8062;

Consumer Advocate Division, Office of the Attorney General - **Vance L. Broemel**, Esquire, and **Archie Hickerson**, 426 5th Avenue, N., 2nd Floor, Nashville, TN 37243;

Charles Welch, attorney for Time Warner, advised the Pre-Hearing Officer that he would not be able to attend the Status Conference. The Authority did not receive any notification from the Telecommunications Resellers Association as to whether or not it would have a representative in attendance at the Status Conference.

List of Issues

A list of the issues remaining for determination was distributed to the parties in attendance for the purpose of discussing the possibility of whether some or all of the issues could be resolved through stipulation, the submission of briefs and/or the submission of purely written testimony without the necessity of an evidentiary hearing. A copy of the List of Issues is attached to this Report and Recommendation as Exhibit A.

Discussion of United IntraLATA Toll Dialing Parity Plan

At the Pre-Hearing Conference held on November 5, 1998, the parties discussed the possibility that the intraLATA toll dialing parity plan approved by the Authority for United Telephone Company Southeast ("United") could be mirrored by BellSouth, other than the issues of date and cost, as a proposed plan in this matter. The parties raised this issue again at

the Status Conference. BellSouth responded that while the Authority adopted the stipulation and plan in the United case, the Authority did not rule in an evidentiary hearing on the type of issues in this case.

AT&T stated that it had propounded a discovery request to BellSouth to identify each part of the United plan to which BellSouth would not agree and that BellSouth had not answered that request. BellSouth had responded that it was reviewing the United plan and would answer the question. BellSouth agreed that it would file an answer to AT&T's discovery request by the close of business on **December 15, 1998**.¹

Position of the Parties Concerning Disposition of the Issues

BellSouth's counsel stated that an evidentiary hearing would be necessary to consider the BellSouth toll dialing parity plan. AT&T's counsel responded that he did not see a need for a "live" hearing on any of the issues and that AT&T could address all of the issues either in the form of written comments, written testimony or by means of a stipulation. The Consumer Advocate stated that matter could be resolved through written submissions. Sprint's counsel stated that a hearing should not be required under the circumstances. NEXTLINK concurred with AT&T and Sprint as to the lack of a need for a hearing. MCI/WorldCom was also in agreement that the issues could be decided without a hearing.

The Status Conference was recessed for a period of time to permit the parties to discuss the issues remaining and the manner in which specific issues might be resolved. After the Conference was reconvened, BellSouth announced that it did not have any issues that

¹ BellSouth did file its answer to AT&T's Data Request, Item No. 25, on December 15, 1998.

could be removed from the list at this time, but that it was possible that some issues could be resolved as the matter went forward. BellSouth agreed to resolve issues C, K, and L through briefs. As to the remaining issues, B, D, E, F, G, H, I and J, BellSouth requested that testimony be prepared and stated that, after reviewing the testimony, it would report back to the Authority as to whether any additional issues could be resolved, without the need for a hearing, based on the pre-filed testimony. BellSouth agreed to provide its answer by **Noon on Friday, January 8, 1999**, as to those issues that could be resolved without the necessity of a hearing.

Proposed Schedule

The parties agreed that the briefing schedule, consisting of briefs and reply briefs, as to Issues C, K, and L, would run parallel to the filing of the pre-filed testimony. Without objection, the following schedule was established:

December 18, 1998	Initial Briefs & Direct Pre-Filed Testimony
January 6, 1999	Rebuttal Pre-Filed Testimony & Reply Briefs

BellSouth's response to the remaining issues would be filed on **Friday, January 8, 1999**.

Discussion of Hearing

The Pre-Hearing Officer asked the parties to estimate, assuming that all of the remaining issues went to hearing, how many days would be required for a hearing and how many witnesses each party would want to present at the hearing. The following table reflects

the remarks of the parties as to the estimated length time of a hearing and number of witnesses who would be called by each party.

<u>Party</u>	<u>Hearing Time</u>	<u># of Witnesses</u>
BellSouth	2 Days	3
Consumer Advocate	1-2 Days	1
NEXTLINK TN, L.L.C.	1-2 Days	0
AT&T	1-2 Days	1-2
MCI/WorldCom	1-2 Days	1
Sprint	1-2 Days	1

The above estimate of time includes the cross-examination of witnesses.

The Pre-Hearing Officer did not recommend a hearing date, but requested parties to look at a possible hearing date during the week of January 18. The parties agreed that if a hearing date could be set within that week the Authority would send out a notice without having another status conference.

The Pre-Hearing Officer reiterated the comments of the Directors to the effect that, notwithstanding the Authority's decision that the February 8, 1999, date is not a compulsory date for implementing an intraLATA toll dialing parity plan, BellSouth should begin to promptly implement the process to bring the plan into effect so that it will be ready when so ordered. Further, the Pre-Hearing Officer strongly urged the parties to prepare their pre-filed testimony in such a manner that would facilitate the resolution of as many issues as possible without having a hearing. Since the pre-filed testimony would be critical for a determination

of which issues may or may not go to hearing, the Pre-Hearing Officer directed the parties to submit their pre-filed testimony in a form that comports to the issues.

BellSouth's January 8, 1999, Letter

On January 8, 1999, BellSouth filed a letter with the Authority stating that it had reviewed the pre-filed testimony of the parties and setting forth its position as to the manner of resolution of the remaining issues. A copy of BellSouth's letter is attached to this Report and Recommendation as **Exhibit B**. In that letter, BellSouth set forth four issues which it believed necessitated a hearing by the Authority: Issues B, D, F and J. BellSouth also stated that there was "substantial agreement among the parties" as to Issues D (mischaracterized as B), E, G, H and I. As to these issues, BellSouth proposed that the Authority convene a workshop for the purpose of developing a joint stipulation by the parties. At the time of the issuance of this Report and Recommendation, the Authority has not received a response from any party to BellSouth's letter or its request for a workshop on the remaining issues.

Recommendations

The parties in this action have filed briefs and pre-filed testimony in accordance with the Schedule in this Report and Recommendation. The Pre-Hearing Officer **recommends** that the Authority proceed to set a hearing date in this matter. As to BellSouth's request that the Authority convene a workshop for the purpose of assisting the parties in developing a joint stipulation, the Pre-Hearing Officer **recommends** that the parties themselves continue in their efforts to resolve the remaining issues by means of a joint stipulation. In this regard, the Pre-

Hearing Officer is available to assist in those efforts in the event that the parties jointly request a pre-hearing conference.

Richard Collier
RICHARD COLLIER, ACTING AS
PRE-HEARING OFFICER

ATTEST:

KT > P. Wedd
EXECUTIVE SECRETARY

Date: January 14, 1999

STATUS CONFERENCE

DOCKET 97-01399

**IN RE: PETITION OF BELL SOUTH TELECOMMUNICATIONS,
INC. FOR APPROVAL OF AN INTRALATA TOLL DIALING
PARITY IMPLEMENTATION PLAN.**

ISSUES

- B. (1)** Should BellSouth be required to implement intraLATA toll dialing parity before BellSouth has been granted interLATA authority in Tennessee?

(2) Once intraLATA dialing parity is ordered, how long will it take BellSouth to implement, by exchange?
- C.** Does BellSouth's intraLATA toll dialing parity implementation plan comply with the intraLATA toll dialing parity requirements of Section 251(b) and Section 271(e)(2) of the Telecommunications Act of 1996?
- D.** What should be the terms and conditions of BellSouth's plan, including terms and conditions of cost recovery and allocation of costs?
- E.** What types of notices should BellSouth customers receive? Balloting, bill inserts, direct mail, other? What should be the timing and wording of such notices? What choices should existing and new customers be given? How and under what conditions should these choices be communicated to customers?
- F.** Will IntraLATA Preferred Interexchange Carrier (PIC) charge be waived for a limited time? If so, for how long? Should the cost of such a waiver be included in cost recovery?
- G.** What charge will apply to customers changing intraLATA carriers only? For changing intraLATA and interstate carriers? (One or more PIC charges)
- H.** Should there be a moratorium on PIC freezes? If so, for how long?

- I. (1) If a new customer expresses no preference or "I don't care, just assign me one", will he or she be treated as a "No PIC" or be assigned a carrier? If assigned a carrier, what method will be used to assign ? Who will make the assignment?
- (2) Should existing customers be allowed to remain with BellSouth until they select an intraLATA carrier? Should they be "No PIC'd" like new customers who do not make a carrier selection?
- J. What should the marketing script that will be provided to BellSouth customer contact personnel say?
- K. Is BellSouth's plan in compliance with TRA Rules 1220-4-2-.56, Sections (2) - (6)?
- L. Is BellSouth's plan in compliance with Part 51, Sections 305, 307, 325, 327, 329, 331, 333, and 335 of the FCC's Rules - adopted in CC Docket 96-98 August 8, 1996?



REC'D TN

REGULATORY AUTH.

January 8, 1999

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OFFICE OF THE
EXECUTIVE SECRETARY

VIA HAND DELIVERY

David Waddell, Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37238

Re: *Petition of BellSouth Telecommunications, Inc. for Approval of an IntraLATA
Toll Dialing Parity Implementation Plan*
Docket No. 97-01399

Dear Mr. Waddell:

As requested by the Tennessee Regulatory Authority ("Authority"), BellSouth Telecommunications, Inc. ("BellSouth") has reviewed the testimony filed by the various parties in this proceeding to determine which issues, if any, can be resolved without a hearing. Other than BellSouth, the only Intervenor to file testimony were AT&T Communications of the South Central States, Inc. ("AT&T"), the Consumer Advocate Division, MCI WorldCom, and Sprint Communications Company, L.P. The only Intervenor to file rebuttal testimony was AT&T.

Based on the testimony filed to date, BellSouth believes there are least four issues that will necessitate a hearing by the Authority:

- (1) When 1+ intraLATA subscription should be implemented, and how long will it take (Issue B);
- (2) Whether the recovery of intraLATA 1+ subscription costs should be based upon originating intraLATA minutes of use or originating and terminating intrastate minutes of use (Issue D);
- (3) Whether the intraLATA preferred interexchange carrier change charge should be waived for some period of time, and, if so, for how long and how should the waiver costs be recovered (Issue F); and
- (4) Whether BellSouth's proposed customer contact guidelines for the implementation of 1+ intraLATA subscription are appropriate (Issue J).

David Waddell, Executive Secretary

January 8, 1999

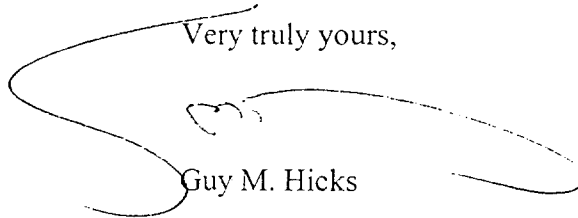
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There is substantial agreement among the parties on the other issues. In particular, BellSouth believes that the parties should be able to resolve their differences on: (1) the cost development for 1+ intraLATA subscription (Issue B); (2) the type, timing and wording of customer notification materials (Issue E); (3) the charge that should apply to customers changing intraLATA carriers (Issue G); (4) a moratorium on PIC freezes (Issue H); and (5) the method by which customers who do not select an intraLATA carrier are assigned and whether existing customers should be allowed to remain with BellSouth until they select an intraLATA carrier (Issue I).

BellSouth believes that it would be advantageous for the Authority to convene a workshop for the parties to work through the issues upon which BellSouth believes there is substantial agreement. The purpose of such a workshop would be to craft a compromise that could result in the submission of a joint stipulation by the parties, which would render a hearing on these issues unnecessary. In this way, the Authority could focus its attention and energies on the critical issues upon which there is substantial disagreement and which are unlikely to be resolved absent intervention by the Authority.

Please let me know if you have any questions or need additional information about these matters. A copy of this letter has been served upon counsel for the parties.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Guy M. Hicks", is written over the typed name. The signature is fluid and cursive, with a large loop at the end.

Guy M. Hicks

GMH:ch
Enclosure

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